



Related Medlearn Matters Article #: SE0435

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Skilled Nursing Facility Consolidated Billing as It Relates to Dialysis Coverage

Key Words

Skilled, Nursing, Facilities, SNF, CB, Consolidated, Billing, Dialysis, Prospective, Payment, PPS, Unbundling, Part B, Dialysis, Part A, Stay, SE0435

Provider Types Affected

Skilled Nursing Facilities (SNFs), physicians, end-stage renal disease (ESRD) facilities, and hospitals

Key Points

- SE0435 is an informational article that describes SNF Consolidated Billing (CB) as it applies to dialysis coverage for SNF residents.
- Dialysis furnished to a SNF resident during a covered Part A stay falls within the scope of the SNF benefit under the Social Security Act, Section 1861(h)(7), as long as the SNF elects to provide the dialysis itself, either directly or under an "arrangement" with a qualified outside supplier in which the SNF itself assumes the Medicare billing responsibility.
- When covered in this manner, the dialysis would be included in the global Medicare Part A per diem payment that the SNF receives under the Prospective Payment System (PPS).
- SNF PPS legislation also gives SNFs the option of "unbundling" the dialysis and, thereby, allowing an outside supplier to furnish the dialysis services and submit a bill directly to its Medicare Part B carrier.
- If the SNF elects this option, dialysis services that meet the requirements for separate coverage under the Part B dialysis benefit (as described in the Social Security Act, Section 1861(s)(2)(F)) are excluded from SNF CB.
- Effective April 1, 2000, the Balanced Budget Refinement Act of 1999 (BBRA 1999, Section 103) excluded those ambulance services that are necessary to transport a SNF resident offsite to receive the Part B dialysis services (Social Security Act, Section 1888(e)(2)(A)(iii)(I)) from SNF CB.
- If the SNF elects to provide the dialysis services under Part A, either directly or under an arrangement with an outside supplier, these services would be included in the SNF's PPS per diem payment (since dialysis services that SNFs furnished in this manner during the PPS base period would have been included on their cost reports and reflected in the PPS base).

- The Social Security Act (Section 1833(d)) expressly prohibits payment under Part B for any service that is covered under Part A, therefore, such services would not be excluded from SNF CB, since they would no longer meet the statutory criteria (Section 1888(e)(2)(A)(ii)) of being items and services that meet the requirements for coverage under the separate Part B dialysis benefit of the Social Security Act (Section 1861(s)(2)(F)).
- Additional detailed information on SNF CB is as follows:
 - Medlearn Matters Special Edition article SE0431 which contains a detailed overview of SNF CB and a list of the services excluded from SNF CB and can be found at:
<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2004/SE0431.pdf>
 - Centers for Medicare & Medicaid (CMS) Medlearn Consolidated Billing Website at:
<http://www.cms.hhs.gov/medlearn/snfcode.asp>
 - SNF PPS Consolidated Billing Website at:
<http://www.cms.hhs.gov/providers/snfpps/cb>

Important Links

<http://www.cms.hhs.gov/medlearn/matters/mmarticles/2004/SE0435.pdf>